

WIPO Coordination Committee

Sixty-Third (41st Ordinary) Session Geneva, September 20 to 29, 2010

REPORT ON THE IMPLEMENTATION OF THE VOLUNTARY SEPARATION PROGRAM (VSP)

Memorandum by the Director General

VOLUNTARY SEPARATION PROGRAM BACKGROUND

1. At the 61st session (22nd Extraordinary) of the WIPO Coordination Committee, held in Geneva on June 15 and 16, 2009, the Member States approved the Director General's proposal to derogate temporarily, until June 30, 2010, from the WIPO Staff Regulations and Staff Rules on separation from service, for the purpose of implementing a time-limited Voluntary Separation Program (VSP), open to all staff members on regular budget posts.
2. The VSP was launched to respond to the Organization's need to reduce the number of staff in the Organization at a more rapid rate than achieved through natural attrition and projected retirements; and to afford the Organization with the opportunity to equip itself with additional skills and competencies necessary to deliver its mandate. These include specialist skills relating to intellectual property, languages, management, Information Technology and Human Resources (HR).
3. An Office Instruction¹ was issued in July 2009, to inform staff of the conditions of the VSP. Two schemes were offered:
 - (a) a Pre-Retirement scheme (PRS) for staff members on permanent and fixed-term contracts, who were of 53 years of age or more, *and* had completed five years or more of contributory service to the United Nations Joint Staff Pension Fund (UNJSPF). Under this scheme, staff members would receive separation indemnities, while being placed on Special Leave Without Pay For Pension Purposes, in order to continue their participation in the pension plan, and to maintain WIPO's contribution for a period of up to 24 months.

¹ Office Instruction No. 44/2009 dated July 27, 2009 entitled *Voluntary Separation Program (VSP)*

- (b) a Voluntary Separation Agreement scheme (VSA) for other staff members on permanent and fixed term contracts. In addition to the termination indemnities paid to the staff member, WIPO offered a lump sum for outplacement purposes equivalent to three months' salary for staff members five to ten years away from retirement, or six months' salary for those more than ten years away from retirement.
4. WIPO's VSP incorporated components which worked effectively in similar programs launched by other international organizations within the UN common system.

ESTABLISHMENT OF A VSP EVALUATION GROUP

5. Pursuant to the procedures outlined in Office Instruction No. 44/2009 on the VSP, an Evaluation Group was established to review the applications. Its composition and objectives were defined as follows.
- (a) Composition of the VSP Evaluation Group:
- 3 representatives from HRMD;
 - 2 representatives from the Office of the Director General;
 - 1 representative from the Office of the Controller;
 - 1 representative from the Staff Council.
- (b) Objectives of the Evaluation Group:
- To examine each application based on information provided by HRMD and Program Managers;
 - To make recommendations for the separation or retention of applicants to the Director General.

Evaluation of Applications

6. A total of 105 applications for separation within the framework of the VSP were submitted to the Director of HRMD by staff at different levels and from different occupational groups. These applications were reviewed by the Evaluation Group.
7. Three applications among the 105 reviewed were submitted after the deadline and were considered and approved on the basis of the exceptional and compelling nature of the requests, and in view of the fact that the staff members could separate during the implementation period of the VSP.
8. The review took into account the following criteria provided by HRMD:
- (a) age of applicants;
- (b) number of months to retirement;
- (c) costs of separation versus retention costs.
9. The review also took into account the information provided by Program Managers regarding the post, or the need for the replacement of the staff member. Additionally, the Group considered the fact that some current temporary employees with relevant skills could replace some of the staff members separated under the VSP.

Recommendations of the Evaluation Group

10. The members of the Group made 99 favorable recommendations, five of which were subject to specific conditions. The conditions relative to these five posts were that, since the need for replacement was essential, no gap period could be envisaged, in view of its potential negative operational impact. The Group recommended that, in these particular cases, the separation be approved on the condition that the staff member could be replaced immediately upon his/her departure by an internal candidate. The Group further recommended that the posts in question be advertised immediately to determine whether or not the necessary skills could be found internally, and that the Director General's decision with regard to this application be deferred by two months until the end of February 2010. This would allow an objective assessment of the possibilities to identify suitable internal candidates.

11. The Group did not recommend separation in the following cases:
- (a) staff members due to retire on or before June 30, 2010;
 - (b) posts for which Program Managers had indicated that an eventual separation without immediate replacement might impact negatively on program delivery, and that the necessary range of specialist skills required to fill the function were already in short supply.

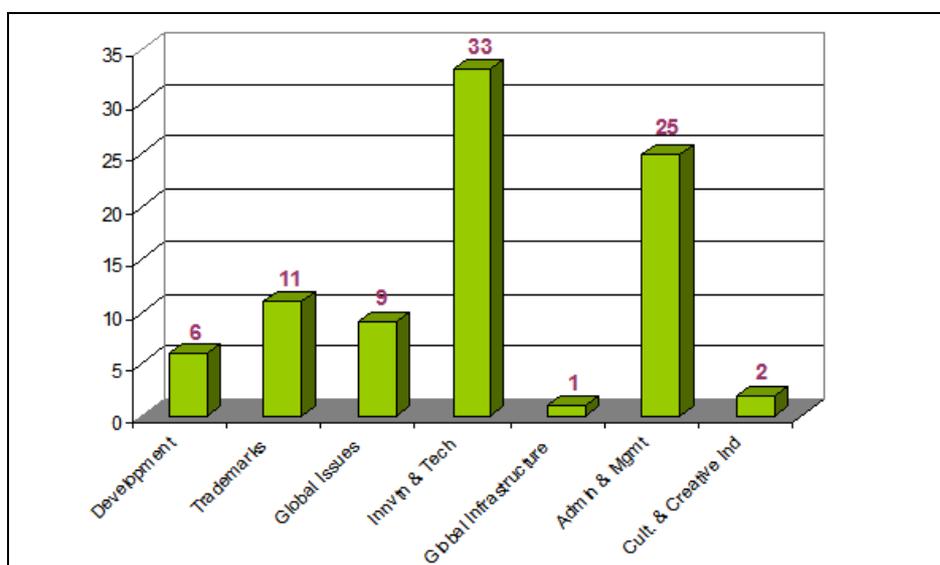
On this basis, the Group made a negative recommendation in the case of 6 applications.

12. All the recommendations presented by the Evaluation Group were approved by the Director General and are summarized below; it can be noted that some staff members declined the offer after official notification of the result of their applications:

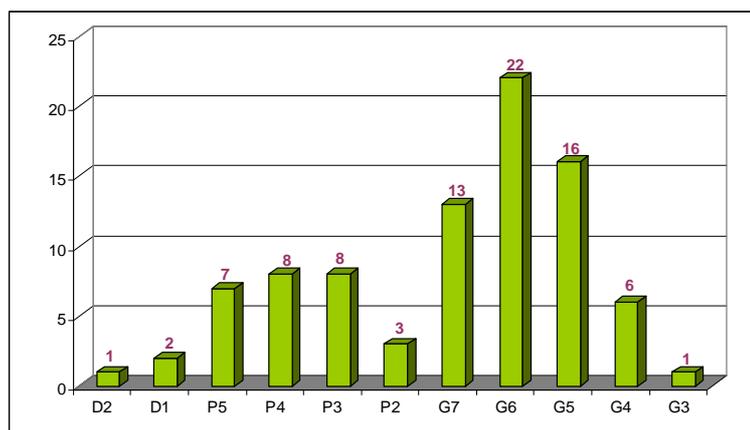
VSP applications	105
Not Approved	6
<u>Approved for separation</u>	<u>99</u>
Withdrawn	11
Pending	1
<u>Total No. of VSP departees</u>	<u>87</u>

OUTCOME OF THE VSP

13. With the separation of 87 staff members on regular budget posts, 87 posts will become available, which provides the flexibility to:
- (a) regularize some temporary employees;
 - (b) re-profile some functions, taking into account current organizational needs;
 - (c) bring in skills that are not available internally in order to meet specific needs such as language and some technical competencies.
14. As per the table below, the sectors with the largest number of VSP departees, are the Innovation and Technology Sector and the Administration and Management Sector. Both sectors have re-profiled and re-graded some of the vacated posts taking into account new skill requirements (e.g. language needs in the case of the Innovation and Technology Sector, HR Management specialist skills in the case of the Administration and Management Sector).



Vacated VSP Posts by Sector



Vacated VSP Posts by Grade

15. The table above shows that a large number of senior General Service (GS) posts (grades G6 and G7) have become vacant. This is due primarily to the fact that the VSP attracted mostly long-serving GS staff members, eligible to apply to the pre-retirement scheme (six to two years away from retirement).
16. The pre-retirement scheme (PRS) proved to be the most successful scheme of the two options that were made available to staff: 68% of the VSP departees left under the PRS; 32% departed under the alternative VSA scheme, which offered as one of the incentives an outplacement lump sum equivalent to either three or six months' salary. The second scheme attracted mainly those who were below 45 years old, as the outplacement lump-sum represented the equivalent of six months' salary, and could thus provide an interesting springboard for career transition opportunities and re-skilling. Few colleagues in the 50-52 age group applied for the VSP.

Reduction in headcount

17. Some of the posts that have now become vacant will be advertised internally in order to provide an opportunity for internal mobility and career progression to staff members, and to enable temporary employees the opportunity to be appointed onto fixed-term posts. Although it is not yet possible to indicate the number of temporary employees who may be regularized during the process, it may be noted that by filling some of the VSP posts exclusively with internal applicants who are not replaced externally, this exercise will result in a net reduction in headcount.

Financial Impact

18. An amount equivalent to CHF 30 million was earmarked for the VSP. The estimated cost of the program has been CHF 22 million.

CONCLUSION

19. This VSP has been the first structured institutional separation program launched in WIPO, available to all staff on regular posts. Such a program is regarded as an effective managerial tool that enables eligible staff to depart under favorable terms and conditions, in acknowledgement of their contribution to the Organization. At the same time, the posts liberated by the Program allows the Organization to address its evolving business requirements by:
 - (a) reinvigorating the workforce through the recruitment of new talent with skill sets not available internally and which are necessary for the achievement of the Organization's mandate, in the context of the strategic realignment program;

- (b) reducing the total WIPO headcount by filling some of the posts vacated by the VSP with internal candidates;
- (c) regularizing the short-term status of high performing and well-qualified temporary personnel.

20. The WIPO Coordination Committee is invited to note the information as contained in paragraphs 1 to 19, above.

[Annex follows]

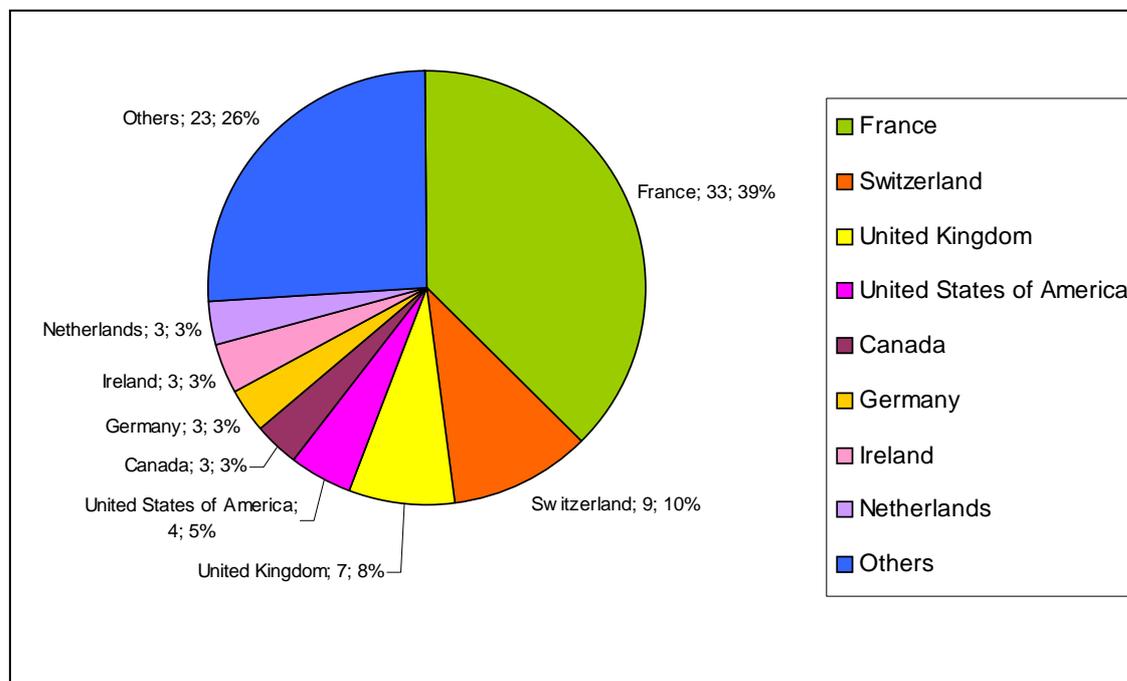
Exhibit 1

Vacant VSP Posts Grade Count By Sector

Grade	Development	Trademarks	Global Infrastructure	Innovation & Tech	Global Issues	Admin & Mgmt	Culture & Creative Industries	Total WIPO
D2	0	0	0	0	0	1	0	1
D1	0	0	0	0	1	0	1	2
P5	1	1	0	1	2	2	0	7
P4	1	0	0	3	0	4	0	8
P3	1	1	0	3	2	1	0	8
P2	0	0	0	0	2	1	0	3
G7	0	2	0	7	0	4	0	13
G6	2	4	0	9	1	5	1	22
G5	1	1	1	7	1	4	0	16
G4	0	2	0	3	0	1	0	6
G3	0	0	0	0	0	1	0	1
	6	11	1	33	9	25	2	87

Exhibit 2

Nationality breakdown of VSP Departees:



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